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FM SECSTATE WASHDC
TO RUEHAD/AMEMBASSY ABU DHABI IMMEDIATE 0511
INFO RUEHBK/AMEMBASSY BANGKOK IMMEDIATE 1585
RUEHBJ/AMEMBASSY BEIJING IMMEDIATE 8987
RUEHDE/AMCONSUL DUBAI IMMEDIATE 7435

S E C R E T SECTION 01 OF 03 STATE 033109

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E.O. 12958: DECL: 03/20/2018
TAGS: [MNUC](#) [PARM](#) [PREL](#) [XB](#) [ZO](#) [ZP](#) [AE](#)
SUBJECT: RESPONSE TO UAE MFA ON STATUS OF INTERDICTIONS

REF: A. STATE 129065 (M/V SINOTRANS QINGDAO)
[B](#). ABU DHABI 1803
[C](#). STATE 137596 (YM ENERGY)
[D](#). STATE 16099
[E](#). ABU DHABI 1965 (YM ENERGY MORE FOLLOW-UP)
[F](#). STATE 155893 (M/V SEVENTH OCEAN)
[G](#). STATE 027996 (M/V SEVENTH OCEAN FOLLOW UP)
[H](#). STATE 11845 (M/V ANNA E)
[I](#). MAGLEBY-MASILKO-SIDLER-EMAIL OF 01/29/2008
[J](#). ABU DHABI 117
[K](#). ABU DHABI 178
[L](#). STATE 28977 (THAI POC)

Classified By: NEA/ARP Director A.Steinfeld for reasons 1.4 b,c and d

SUMMARY AND ACTION REQUESTS

[1](#). (S) Embassy Abu Dhabi is requested to approach appropriate United Arab Emirates (UAE) officials regarding the four outstanding interdiction cases: YM Energy, M/V Sinotrans Qingdao, M/V Seventh Ocean and M/V Anna E and discuss the options for resolving them. Post should draw from objectives below as appropriate. End summary and action request.

OBJECTIVES

[2](#). (S/Rel UAEG) Embassy Abu Dhabi should:

-- Express our appreciation for UAE officials, ongoing actions to address mutual proliferation concerns; note the UAEG's first prosecution under its export control law as a significant and positive step that is receiving high-level attention in the USG.

-- Thank UAE officials for its continued detention of the shipments from the YM Energy, M/V Sinotrans Qingdao, M/V Seventh Ocean and M/V Anna E.

-- Inform the UAEG that the United States is willing to provide assistance to help defray the costs associated with detention of the subject cargoes and with the ultimate disposition of the items. We would like to discuss with the appropriate officials how to accomplish this.

-- Reiterate the importance we place on preventing these cargoes from going to Iran, and the need to ensure the cargoes, appropriate ultimate disposition.

-- Stress the importance of UAE working with Thai officials to arrange for the return of the anhydrous hydrogen fluoride from the M/V Anne E the appropriate owner.

-- Explain that we understand the UAEG need for additional information about these shipments in order to make a case for their continued detention.

-- Explain our intention to always provide as much information as possible; remind officials that we have provided follow up information on cases when new information becomes available; note that at this time, we have no additional information on these cases.

-- Explain that it maybe possible for the U.S. to provide additional information if allowed discrete access to these cargoes.

-- Convey our understanding that initial implementation of an export control law and subsequent prosecution of violations can be difficult. Emphasize U.S. willingness to lend assistance.

-- Inform UAEG that we understand its highest training priority is to receive nonproliferation training for its prosecutors and judges; we are working to fulfill this request and have a tentative timeframe for early June.

-- Offer the possibility of arranging training on investigative techniques related to counterproliferation cases, including parallel construction of evidence - the process of building a legal case independent of the information used to initially uncover an illegal activity.

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Also, suggest that the LEGAT would be willing on a case-by-case basis to help UAE officials build their interdiction cases.

REPORTING DEADLINE

¶3. (U) Please report delivery of demarche and any substantive response by March 27, 2008.

BACKGROUND

¶4. (S) M/V Sinotrans Qingdao: Since September 13, 2007 UAE officials, at U.S. request (Ref A), have detained a shipment of 14 metric tons of steel tubes from the CMA CGM-chartered Liberian-flagged M/V Sinotrans Qingdao from China to Iran via Jebel Ali, UAE. The shipment was destined for Iran, s Defense Industries Organization (DIO). DIO is designated under the Annex A of UN Security Council Resolution (UNSCR) ¶1737. In October 2007 UAE officials provided Post with information on and photos of the containers that UAE had detained at U.S. request, to include the M/V Sinotrans Qingdao. (FOR EMBASSY USE ONLY: These photos were shared with the intelligence community for analysis). UAE requested that the U.S. provide any additional information because they wanted to move towards final disposition of this cargo. (Ref B).

¶5. (S) YM Energy: Since September 30, 2007 UAE officials, at U.S. request (Ref C), have detained a shipment of 20 tons of chromium alloy seamless tubes from the Liberian-flagged YM Energy from China to Iran via Dubai. The U.S. initially believed that the shipment was intended for the Iranian firm Shahid Hemmat Industrial Group (SHIG) which is designated in Annex A of UNSCR 1737. The consignee was Machine Pardazan and their address was the same as that used by the Iranian office of the Turkish firm Multimat. Mani and Milad Jafari are known brokers for SHIG and have used Machine Pardazan as a cover for these procurements. In October 2007 UAE officials provided Post with photos and further information on this cargo. UAE requested that the U.S. provide any additional information because they wanted to move towards

final disposition of this cargo. (Ref B)

¶6. (S) YM Energy (continued): In December 2007 the U.S. provided UAE officials with new information indicating that in addition to the Jafari network and Machine Pardazan, s past involvement in procurement for Iran, s ballistic missile program, we had information that the shipment was related to Three Stars Services Co. (TSS Co.) and that a commercial invoice was provided to Milad Jafari. TSS Co. is a cover name for Iran, s Sanam Industrial Group (SIG) and/or the Sanem al-A, emmeh Industries Group (SAIG). SIG is designated in UNSCR 1747 and both SAIG and SIG are subordinate to Iran, s AIO. SAIG is responsible for developing cruise missiles and SIG develops tactical missiles. In parallel, we provided the Chinese with the same information. (Ref D) In December 2007 UAE officials informed Post that UAE is pursuing the matter with the Chinese Ambassador in Abu Dhabi and the UAE Embassy in DC. (Ref E)

¶7. (S) M/V Seventh Ocean: Since November 2007 UAE officials, at U.S. request (Ref F), have detained a four ton shipment of potassium perchlorate that was consigned to a cover company used by Iran, s DIO in order to circumvent UNSCR restrictions. Potassium perchlorate can potentially be used in a variety of military related applications including in the production of small rockets and explosives. It can also be used as an igniter in ballistic missile systems.

¶8. (S) M/V Seventh Ocean (continued): In March 2008 the U.S. provided UAE officials with more information that directly linked this shipment to Iran, s DIO. In particular, the U.S. informed the UAE that the foreign purchasing manager for DIO was responsible for arranging this shipment. Chinese officials were also notified at this time that the shipment was seized in Dubai and were urged to work with UAE authorities to return the cargo to the Chinese company of origin (Ref G).

¶9. (S) M/V Anne E: Since January 14, 2008 UAE officials, at U.S. request (Ref H), have detained a shipment of anhydrous hydrogen fluoride from the M/V Anne E shipped from Thailand to Iran via Dubai. AHF is an Australia Group-controlled chemical weapons precursor and is included in the Nuclear Suppliers Group (NSG) gas centrifuge and reprocessing watchlists (for items that would be subject to &catch-all8

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controls for nuclear purposes.) It also has applications in the refining of uranium, the production of fluorine and aluminum fluoride, and as an addition in liquid rocket propellants. On January 29 the UAE provided analysis of the detained cargo and accompanying photographs of what appear to be containers of Chinese-origin AHF (Refs I). The MFA also provided assurances that the shipment of AHF is impounded and requested USG assistance in approaching Thailand to issue a prompt recall order (Ref J). UAE requested the U.S. approach Thai officials for a point-of-contact with whom they can reach out to directly regarding the final disposition of this shipment (Ref K). The U.S. provided the UAE officials with the Thai point-of-contact for this shipment (Ref L) and UAE officials should be encouraged to work with this POC to have this material returned to its appropriate owner.

End background.

POINT OF CONTACT

¶10. (U) Washington points of contact for follow-up information is Edna Sidler, (202) 647-5347, sidlerej@state.sgov.gov or Chris Herrington, (202) 647-5035, herringtonc@state.sgov.gov. Please slug all responses for ISN, T, EAP, and NEA. Washington appreciates Post, s assistance.
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